Education Learning Trust Multi Academy Trust

Investment Policy

Policy owner	Richard O'Connell, Director of Finance and Operations
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Revision History

Date	Document Version	Document Revision History	Document Author / Reviser	Document Approver
September 2022	1.1	New document	R O'Connell, Director of Finance and Operations	03/10/2022
September 2023	1.2	No changes Circulated to schools 18/10/2023	R O'Connell, Director of Finance and Operations	11/10/2023

Contents

Legal framework

This policy will have consideration for, and be compliant with, the following legislation and statutory guidance:
- Academies Trust Handbook (Sections 2.25 and 2.26)
- Charity Commission Guidance (CC14: Charity and Investment Matters – A Guide for Trustees)

Academies Trust Handbook

The Handbook states that the board of trustees may invest to further the trust's charitable aims, but must ensure investment risk is properly managed. When considering an investment the board must:
- act within its powers to invest as described in its articles
- have an investment policy to manage and track its financial exposure, and ensure value for money
- exercise care and skill in investment decisions, taking advice as appropriate from a professional adviser
- ensure exposure to investment products is tightly controlled so security of funds takes precedence over revenue maximisation
- ensure investment decisions are in the trust's best interests
- review the trust's investments and investment policy regularly

Charity Commission Guidance

The Guidance states that trustees must:
- know, and act within, their charity's powers to invest
- exercise care and skill when making investment decisions
- select investments that are right for their charity; this means taking account of:
  - how suitable any investment is for the charity
  - the need to diversify investments
- take advice from someone experienced in investment matters unless they have good reason for not doing so
- follow certain legal requirements if they are going to use someone to manage investments on their behalf
- review investments from time to time
- explain their investment policy (if they have one) in the trustees' annual report

Articles of Association

The ELT Articles of Association state that the trust may:
- deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its Objects (but to invest only after obtaining such advice from a financial expert as approved by the Finance Committee as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification)
- delegate the management of investments to a financial expert, but only on terms that:
  - the investment policy is set down in writing for the financial expert by the Trustees;
  - every transaction is reported promptly to the Trustees;
  - the performance of the investments is reviewed regularly with the Trustees;
  - the Trustees are entitled to cancel the delegation arrangement at any time;
  - the investment policy and the delegation arrangement are reviewed at least once a year;
  - all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and
  - the financial expert must not do anything outside the powers of the Trustees;
- arrange for investments or other property of the Academy Trust to be held in the name of a nominee company acting under the control of the Trustees or of a financial expert acting under their instructions, and to pay any reasonable fee required

Trust investment policy

The ELT has determined that its investment strategy is to limit any financial investments to the use of fixed notice deposit accounts, which are held with Lloyds.